

LEHMAN BROTHERS HOLDINGS INC

LEHMAN BROTHERS
745 SEVENTH AVENUE
NEW YORK, NY 10019
212. 526.7000

8-K

8K
Filed on 01/17/2008 – Period: 01/17/2008
File Number 001-09466



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):
January 17, 2008

Lehman Brothers Holdings Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

1-9466
(Commission File Number)

13-3216325
(IRS Employer Identification No.)

745 Seventh Avenue
New York, New York
(Address of Principal Executive Offices)

10019
(Zip Code)

(212) 526-7000
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events

On January 17, 2008, Lehman Brothers Holdings Inc. (the "Registrant") issued a press release announcing that it will suspend wholesale and correspondent U.S. residential mortgage origination activities.

A copy of the above-referenced press release is being filed as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference in its entirety.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

99.1 Press Release of the Registrant, dated as of January 17, 2008

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LEHMAN BROTHERS HOLDINGS INC.

Date: January 17, 2008

By: /s/ James J. Killerlane III

James J. Killerlane III
Vice President
Assistant Secretary

EXHIBIT INDEX

Exhibit 99.1	Press Release of the Registrant, dated as of January 17, 2008
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EX-99.1

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LEHMAN BROTHERS

Press Release

Media Contact: Randall Whitestone

212-526-0542

Hannah Burns

212-526-4064

For Immediate Release

Lehman Brothers Suspends Wholesale and Correspondent U.S. Residential Mortgage Origination Activities

NEW YORK, January 17, 2008 (Lehman Brothers announced today that it will substantially reduce its resources and capacity in the U.S. residential mortgage origination space in light of the dislocation in the mortgage markets. As a result, the Firm is suspending its Wholesale and Correspondent lending activities at its Aurora Loan Services subsidiary. Aurora will continue to originate loans through its direct lending channel, and will maintain its servicing business.

This action affects approximately 1,300 employees and will result in the closure of Aurora's regional operations centers in Lake Forest, CA, Sunrise, FL, and Florham Park, NJ. Aurora's Colorado operations will be consolidated at its Littleton office. In connection with the suspension of its Wholesale and Correspondent U.S. residential mortgage activities, the Firm will record a one-time, after-tax charge of approximately \$40 million for severance, technology and facilities exit costs.

—more—

“While it was necessary for us to structure our mortgage origination businesses in the U.S. to reflect the change in industry dynamics, we deeply regret the impact this action

has on our people,” said Ted Janulis, global head of Mortgage Capital for Lehman Brothers. “We will continue to make technology and infrastructure investments in this space, as we reposition the business to reflect the changing industry.”

Lehman Brothers (ticker symbol: LEH), an innovator in global finance, serves the financial needs of corporations, governments and municipalities, institutional clients, and high net worth individuals worldwide. Founded in 1850, Lehman Brothers maintains leadership positions in equity and fixed income sales, trading and research, investment banking, private investment management, asset management and private equity. The Firm is headquartered in New York, with regional headquarters in London and Tokyo and operates in a network of offices around the world. For further information about Lehman Brothers’ services, products and recruitment opportunities, visit our Web site at www.lehman.com.

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